REMARKS

Status of Claims:

Claims 1-18 are present for examination.

Claim Objections:

The examiner noted that claim 1 is missing the term "user" before the term "indicates". Claim 1 is amended to correct the inadvertent error.

Prior Art Rejections:

Claims 1, 3, 5, 6, 3, 11 and 14 stand rejected under 35 U.S.C. §102 as being anticipated by Ronning. Claims 2, 4, 7-10, 12, 13, 15-18 stand rejected under 35 U.S.C. §103 as being obvious over Ronning, in view of Downs.

The examiner's rejections are respectfully traversed. As amended, the rejected claims recite features not disclosed, suggested, or anticipated by Ronning or Downs, individually or in combination.

Ronning describes a system in which a software program or digital information 12 is stored on the user's computer and protected by a secure interface or protective envelope 14. (See Ronning, Fig. 1.) Prior to making the purchase, the software program or digital information 12 is stored in a locked partition on the user's computer hard drive or other storage medium, accessible only through the protective envelope 14. (See Ronning, col. 6, lines 24-29.) Within the sampling restrictions dictated by the protective envelope 14, the user 10 may access the digital information or software program 12 in its entirety or in part. (See Ronning, col. 4, lines 8-26.) By making a purchase, the user 10 may transfer an unlocked copy of the software program or digital information 16 onto a storage medium where the user has direct access. (See Ronning, col. 3, lines 31-58, Col. 4, lines 8-26.)

According to Ronning, after the user makes a purchase, the user obtains an installation password from the vendor which enables the copying of the software program or digital information in its entirety from the locked partition on the user's hard drive or other storage medium to an unlocked location on the user's hard drive or other storage medium. (See Ronning, col. 11, lines 60-62, col. 12, lines 2-8.) Thus, prior to making the purchase decision, the software program or digital information has already been distributed in its entirety from the vendor to the user's storage medium, even if the user has only limited access.

In contrast, applicant's invention involves transferring <u>only a portion</u> of the data from the source (vendor) to the user, so that the user may sample or examine the partial data before making a purchase decision. After the user indicates a decision for a purchase, only the partial data which has already been distributed from the source to the user is released to the storage region of the user computer. The remaining undistributed data is then distributed from the source to the user. For example, applicant's claim 1 recites:

> 1. (Currently Amended) A data distribution system comprising:
>
> partial data preliminary distribution means for <u>distributing partial data from a source to a user, said partial data comprising only a part of distribution data</u>, together with attribute data including the price of the distribution data, to a storage region provided at said user;
>
> <u>partial data</u> reproduction release means for, when the user indicates to said source a decision to purchase the <u>partial data</u> distributed by the partial data preliminary distribution means or a remaining undistributed part of the distribution data, rendering reproducible the <u>partial data</u>, except for the attribute data, from a time of the indication at the earliest; and
>
> remaining distribution data distribution means for, upon receipt by the source of a request from the user for the distribution of <u>the undistributed remaining part of the data corresponding to the partial data, distributing from the source the remaining distribution data to the user who has requested the distribution of the remaining data.</u>

Ronning describes a method of dividing the software program or removing portions of the program such that a secure "key" is required to reassemble the program. (See Ronning, col. 2, lines 1-13.) As described by Ronning, this prevents unauthorized copying of the program. Under this system, <u>the user already has all segments of the program</u> and requires a "key" to reassemble the program. In contrast, in applicant's invention, the user has <u>only one part</u> of the program prior to making the purchase decision, and receives the remainder of the program from the source after indicating to the source a decision to purchase. Thus, the user obtains all segments of the program only after a purchase indication is made, hence there is no need for a secure "key" to prevent unauthorized usage.

Applicant's invention describes the means of segmenting the software program and allowing the user to make a purchase decision using only partial data. For radio networks

and other networks of limited bandwidth, this feature avoids the transfer of the entire software program to the user if the user decides not to make a purchase. Thus the bandwidth of the network is used more efficiently, and the data transfer times are reduced. Ronning does not address this problem, and these features are not described by or anticipated by Ronning.

Similar limitations to those discussed above are present in ALL of applicant's independent claims. The deficiencies of Ronning are not cured by the teachings of Downs which the examiner has cited in connection with other aspects of the claims (monitoring of usage and payment judgment). It is thus submitted that the PTO has not made out a *prima facie* case of anticipation under the provisions of 35 U.S.C. § 102 or of obviousness under the provisions of 35 U.S.C. § 103, and thus applicants claims are patentable over the prior art.

The amendments made hereto are not being made to overcome any issues of patentability including §§ 102, 103, or 112. Rather, these amendments are being made to formally clarify the distribution of data as from a source to a user. Moreover, the word "only" added to all the independent claims has been inserted to emphasize that not all of the program has been distributed, even though the claims already encompass such a meaning and the examiner has already interpreted the claims in such a correct fashion. It is thus submitted that these amendments do not raise new issues and do not require further search and consideration.

Conclusions:

Applicant believes that the present application is now in condition for allowance. Favorable reconsideration of the application as amended is respectfully requested.
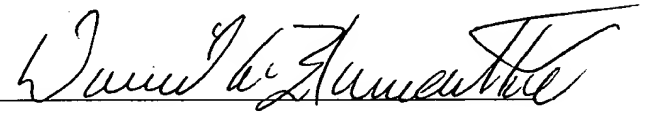
The Examiner is invited to contact the undersigned by telephone if it is felt that a telephone interview would advance the prosecution of the present application.

The Commissioner is hereby authorized to charge any additional fees which may be required regarding this application under 37 C.F.R. §§ 1.16-1.17, or credit any overpayment, to Deposit Account No. 19-0741. Should no proper payment be enclosed herewith, as by a check being in the wrong amount, unsigned, post-dated, otherwise improper or informal or even entirely missing, the Commissioner is authorized to charge the unpaid amount to Deposit Account No. 19-0741. If any extensions of time are needed for timely acceptance of

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papers submitted herewith, Applicant hereby petitions for such extension under 37 C.F.R. §1.136 and authorizes payment of any such extensions fees to Deposit Account No. 19-0741.

Respectfully submitted,

Date <u>September 1, 2005</u>   By _____

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